

Carter--Panama Canal

Box 7

Americans Since Hoover: Selected Documents from
Presidential Libraries, 1929-1980
Jimmy Carter Presidential Library

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Good

September 6, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*

SUBJECT: Report on My Visit with Former President Ford

My visit with former President Ford was very constructive, worthwhile and cordial. I met with him twice for a total of about two hours.

The points of our discussion were as follows:

- (1) Panama Canal Treaty
 - (a) He was quite concerned that Henry Kissinger and John Connally be kept aware of the situation as much as possible. He also noted that he felt that it would be helpful if Nelson Rockefeller was contacted on the matter. He feels these are key people in drawing Republican support to our treaty efforts. I advised him of our contact with Kissinger and Connally.
 - (b) He advised that we should attempt to have a Senate vote on the treaty before Congress adjourns for the year. He feels if we wait until the beginning of next year, the vote could easily be delayed into the Congressional elections and that would be disastrous.
 - (c) He strongly recommended a national advertising campaign to inform the people about the treaty and solicit their support. He suggested some type of coalition group to finance it. I asked if he would be willing to participate in an advertising campaign, and he said he would be inclined to do so provided he was satisfied with the way the campaign was designed. I feel we should pursue this.

- (d) He said he would get Howard Baker to call a foreign policy breakfast meeting of the Senate Republican leadership to be held on September 8, and that he and Henry Kissinger would attend, and support the treaty. He also stated he would meet with John Rhodes and Tip O'Neill on the same day. (I understand that the breakfast is set up for 8:30 a.m. September 8).
- (e) I gave him your message about becoming personally involved and contacting Senators and others on behalf of the treaty. He said he had talked to Robert Dole, but had obtained no commitment. He also said he thought he could get Bob Griffin to vote for it. He indicated he wanted to wait until after the September 8 breakfast (d above) before he became more personally involved.
- (f) We agreed to keep the communication lines open, share information and work closely together in attempting to get the required number of votes to ratify the treaty.

(2) Transition Problems

- (a) He is quite concerned about several elements of the Former Presidents Act and the Presidential Transition Act. Of primary concern is the \$96,000 allowance for staff which he feels is too small. He stated he had discussed the problem with Tip O'Neill, Morris Udall and others on the Hill. GSA and OMB in consultation with Bob Lipshutz and myself are working on some proposed legislation to correct the present problems with these two acts. (The first drafts of this legislation were prepared by GSA during the Ford Administration.) A GAO study recently completed is being used as a guideline. Other persons concerned will be consulted as necessary.
- (b) He has some problems with the Federal Tort Claims Act in that federal money pays for his staff, but will not pay the costs of certain fringe benefits. I will look into this in the near future.

- (c) He asked for continued White House Communications Agency telephone support. I stated that we would do everything we could legally to help him.
- (d) He stated that he is attempting to set up (with IRS and FEC approval) a campaign trust with left over campaign funds, and use the interest to pay for supplemental staff for him. Upon his death, the money would go to the Gerald Ford Library and Museum.

Note: All of these items will be of concern to you in three or seven years. It will be to your benefit also if we can get them worked out.

- (3) He is quite concerned about the lack of confidence that the business community appears to have in the economy of the country. He urges you to make it a high priority to take steps to reassure the business community that in the long run the economy will hold up. In answer to his concern, I told him your tax reform legislation would be sent to Congress probably around October 1, and hopefully it would help in restoring confidence. I mentioned to him some of the points being considered for inclusion in the legislation.
- (4) I also mentioned to him the following:
 - (a) Your concern about the Richard Nixon gift situation.
 - (b) The approximate time table on your Urban Policy and National Health Insurance legislation.

Overall, the visit was very successful. Mr. Ford was very cordial and went out of his way to make me feel welcome (we had an extra meeting which was not planned, played two sets of tennis, and had dinner at his home with Mrs. Ford and two of their children). He appreciated very much your interest in him as a former President. I feel we have an excellent working relationship with him and his staff.

THE WHITE HOUSE
WASHINGTON

RECOMMENDED TELEPHONE CALL

*Frank - I called.
He'll hold
till we
talk*

TO: Senator Wendell Ford (D-Ky)

DATE: January 30, 1978

RECOMMENDED BY: Frank Moore, Bob Thomson, Bob Beckel

PURPOSE: To seek Senator Ford's support for the Panama Canal Treaties, or at least a continued pledge of neutrality.

BACKGROUND: Senator Ford has just returned from three days in Panama. He appeared from Panama this morning on the Today Show and indicated he was strongly leaning against the Treaties. The press will surely jump on him tomorrow since Ford has been in everyone's undecided column and we want to avoid his taking a position from which he can't retreat.

TOPICS OF DISCUSSION:

1. Ford is critical to the Treaties' success.
2. The Democrats, except for the very conservative wing, have either endorsed the Treaties or remained undecided.
3. If he opposes the Treaties, it will be seen as a breaking of the Democratic ranks.
4. Border and Southern Democrats like Hollings, Morgan and Huddleston are supporting the Treaties.
5. We must have Senator Ford.

Date of Submission: January 30, 1978

Action _____

P.S. We have heard that Ford has called press conference for tomorrow - we fear this might be for purpose of coming out against the treaty. Call tonight if needed.

THE WHITE HOUSE
WASHINGTON

November 5, 1977

To Senator

It has been four months since we negotiated an agreement on the new Panama Canal treaties. At that time I wrote to you stating my belief that these treaties are fair and equitable, and essential to assure the continued effective use of the canal for American commercial and security needs.

I am writing again to reaffirm that position and to pledge my full effort to convince the American people that the agreement serves the best interests of the United States. A recent nationwide poll by CBS-New York Times indicates that Americans will support the treaties when they understand that

THE WHITE HOUSE

WASHINGTON

our country has the right to defend the canal. By a margin of more than 2:1 (63% to 24%) Americans say they would support the treaties if -- the treaties provided that the United States could always send in troops to keep the canal open to ships of all nations." As you know, the Treaty of Neutrality and the recent Statement of Understanding provide the United States this right.

It is essential, therefore, that the American people be given a full, factual explanation of the new treaties. I, with members of my Administration and many distinguished Americans, will undertake this task in the coming months. I urge you to support the treaties and to help in laying

THE WHITE HOUSE
WASHINGTON

the facts before the public so
that this education process can
go forward as you approach
a final decision in the Senate.

I ask this of you in what
I truly believe to be our highest
national interest. I need your
help.

Sincerely,

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

Frank J

February 7, 1978

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE
BOB BECKEL *BB*
BOB THOMSON *Bob*
RE: PANAMA TREATIES - STATUS

The Senate will take up the Neutrality Treaty Wednesday at noon. For the first time in 54 years, the Senate will formally move into a Committee of the Whole for the consideration of a Treaty. For noncontroversial treaties, that stage is usually omitted by unanimous consent.

Senator Allen and Senator Byrd have requested that the Vice President preside for purposes of ruling on parliamentary inquiries. Tomorrow afternoon is likely to be taken up with debate on these procedural points.

The Vice President has the 17 points Allen will raise and has cleared responses to the points with Byrd.

Bill Smith, the Vice President's AA, has arranged room for an Administration task force just off the Senate floor. State and Defense Department experts will be there to answer questions and provide drafting assistance.

We are responding to the economic questions as follows:

1. A Vance-Brown letter will go to the Hill tomorrow with answers to the 15 most commonly asked questions.
2. All further questions on the economic issues will be referred to Ambler Moss of State who will coordinate the Administration response.
3. On Thursday, the full text and a summary of the Arthur Anderson report on future canal economics will be transmitted to the Senate.

We recommend you meet with Senators Burdick, DeConcini, Melcher and Zorinsky on Thursday, and Senators McIntyre and Heinz on Friday. Wednesday is premature, since there are negotiations or briefings still going on with each of these Senators.

ok
J

Senator Dole is scheduled for AM America Wednesday morning to talk about the Treaties. He may bring up Torrijos' alleged drug connections. DEA confirmed to Dole today that leaked documents in the Senators possession were classified documents from its files and offered to brief the Senator fully on the matter.

The Intelligence Committee is preparing a report to the Senate on the same subject. The report will be sanitized, but should be helpful in laying many accusations to rest.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

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Frank J

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4/10/70
Speech to Latin America

This is an historic moment for the United States, ^{for Panama,} and
for all the peoples of the Americas. After 13 years of
negotiation and 7 months of debate, the U.S. Senate has
recommended approval of the Panama Canal Treaties. These
Treaties ^{can} represent a new partnership between the United
States and Panama, and a new determination by the North
American people to work with the people of Latin America,
the Caribbean, and all the developing world on a basis of
partnership and mutual respect. I congratulate and express
my gratitude to General Torrijos and the people of Panama
for their cooperation and patience in these last months.

Our deliberations have been long and sometimes difficult,
^{negotiations among equals and}
but in the end they have demonstrated that ^{an open, demo-}
cratic debate will lead to the right decision. The debate
has ^{to} taught the North American people ^{demonstrated} the importance of
Latin America and the Caribbean. It has reminded us of

certain fundamental principles in our relationship.

all of us understand renewed appreciation
~~North Americans~~ Now [^] have a new understanding of their
for non-

~~southern neighbors' concern about U.S. intervention in their~~

the of any sovereign nation.
~~internal affairs~~ [^] In the past, that principle has ^{*sometimes*} been

ignored or forgotten,
~~difficult for the U.S. to accept;~~ but we have acknowledged

and embraced it in these Treaties.

The debate has taught us that only through cooperation
and partnership can we achieve our goals.

As I said in Caracas three weeks ago, all nations must
work together, with mutual respect and mutual responsibility,
to create a fairer, more prosperous world.

The Panama Canal Treaties are one step on the path
toward a fairer world. I am pleased to know that we are
making that journey together.

JOHN C. STENNIS, MISS., CHAIRMAN
HENRY M. JACKSON, WASH.
HOWARD W. CANNON, NEV.
THOMAS J. MC INTYRE, N.J.
HARRY F. BYRD, JR., VA.
SAM MANN, GA.
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GARY HART, COLO.
ROBERT MORGAN, N.C.
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PAUL HATFIELD, MONT.
JOHN TOWER, TEX.
STROM THURMOND, S.C.
BARRY GOLDWATER, ARIZ.
WILLIAM L. SCOTT, VA.
DEWEY F. BARTLETT, OKLA.
JESSE HELMS, N.C.
JAKE GARN, UTAH

FRANCIS J. SULLIVAN, STAFF DIRECTOR

United States Senate

COMMITTEE ON ARMED SERVICES

WASHINGTON, D.C. 20510

June 13, 1978

3619
Comment
tomorrow
J

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

As you know, many of us in the Senate share a sense of apprehension relative to the adverse impacts on our country in connection with the proposed exchange of the instruments of ratification and protocol of exchange relating to the Panama Canal Treaties in Panama Friday.

The State Department has defended the language used in these documents on the grounds the Senate leadership has been briefed and has accepted the instruments as written.

I am personally concerned that the Panamanian instrument of ratification may be designed to avoid not only the letter, but the spirit of the changes made by the Senate, or leaves an opening for future actions by Panama to escape the changes adopted by the Senate.

Especially troublesome is the Foreign Ministry Communique of Panama issued in April which repudiates practically all substantive changes made by the Senate. This document and the Panamanian instrument of ratification could lay the groundwork for Panama to flaunt the Treaties once Panama becomes sovereign in the Panama Canal Zone in the next year or so.

In this connection, I would urge that you make public immediately the texts of the five documents to be signed in Panama this weekend. The members of the Senate and the American people are entitled to know the contents of these documents prior to the signing ceremonies.

Further, I would urge you not sign these documents without ironclad and public assurances from Panama that they have fully embraced the changes made in the Treaties by the United States Senate. If Panama is unwilling to give such assurances in a public and explicit way, it would be a grave mistake to affix your signature as President to these documents.

Finally, assuming you are satisfied that Panama's acceptance of the amended Treaties is unequivocal and without qualification, I would advise that you so inform the American people immediately so that there may be a public record to that effect. Such a step would be of great value in any future disputes which are likely to grow out of the many ambiguities in the Treaties. Your careful consideration of the issues raised in this letter will be deeply appreciated by me, as well as other members of the Senate. With kind regards,

Respectfully,

Strom Thurmond

Strom Thurmond

OPPOSITION TO THE TREATY

Q: I was opposed to the Panama Canal Treaty as were my constituents. Why should I vote to implement it?

A: By our constitutional processes the Panama Canal Treaty is now an international obligation of our country and a part of the law of the land. It is the American tradition to keep our word and support our commitments. Without implementing legislation, it is very difficult to see how we can honor these commitments or exercise our rights under the Treaty. The Canal could be shut down if we have not set up the new operating machinery or arranged to retain and pay the workforce. A vote to implement the Treaty is a vote to keep the Canal open and to keep faith with our commitments. It is not a vote on whether the Treaty goes into effect. The Treaty was approved by the Senate after long debate last year, and it was duly ratified.

*Sworn
upheld
fact*

THE WHITE HOUSE
WASHINGTON

*Frank
J*

March 14, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M.*

As I told you, Senator Baker talked to former President Ford last night. He did not ask Ford to call people specifically but gave him the undecideds--Bellmon and Brooke.

I think you should specifically ask Ford to call these Senators today. Bellmon and Brooke just went on a leadership understanding. Baker is encouraged by this. I have also heard rumor that Brooke is going on "Good Morning America" tomorrow to announce for the treaties--first to say why he thinks the treaties are bad and then to announce for them because he supports the President.

*He will call
Heinz - Bellmon - Schweiker
Brooke -*

THE WHITE HOUSE
WASHINGTON

April, 1978

To Senator

As President, I want to express my admiration for your support of the Panama Canal treaties. Rarely is a national leader called upon to act on such an important issue fraught with so much potential political sacrifice.

On behalf of the people of the United States, I thank you for your personal demonstration of statesmanship and political courage.

Sincerely,
Jimmy Carter

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON
March 28, 1978

*Frank -
Done as
checked
J*

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE
BOB BECKEL
BOB THOMSON *Bob*

RE: PANAMA CALLS

Hamilton has suggested we give you a list of Senators to call from the plane while you are enroute to South America. We believe such a call would underscore the critical nature of the vote on the second Treaty.

We recommend you begin the conversations by expressing concern about the right wing groups' million dollar anti-Treaty campaign that is now reaching its culmination in target states. You could also express the very real connection between the Treaties and our policy throughout Latin America and in other third world countries.

The calls would probably be most effective if they came after your meeting with the Venezuelans, but there may not be time during that leg.

The Senators to be called are as follows:

Long
Nunn
Talmadge
DeConcini ✓

Hatfield ✓
Cannon ✓
Bellmon ✓
Brooke ✓

5
JOHN WAYNE

8C
9570 Wilshire Blvd., Suite 400
Beverly Hills, California 90212
October 12, 1977

President Jimmy Carter
The White House
Washington, D. C. 20500

Dear Mr. President:

Enclosed is one American's review of the Panama Canal situation.

I appreciate the White House invitation to a briefing; but because of the provocative press, I thought it would be better to do it this way instead of a lot of publicity that I was wearing somebody else's collar.

As you can see by the enclosure, I have sent one to every Senator as well as to the people who have written me hysterical letters.

Sincerely,

Loyal Opposition


John Wayne

JW/ps

Enclosures

JOHN WAYNE

9570 Wilshire Blvd., Suite 400
Beverly Hills, California 90212
October 11, 1977

Dear Senator:

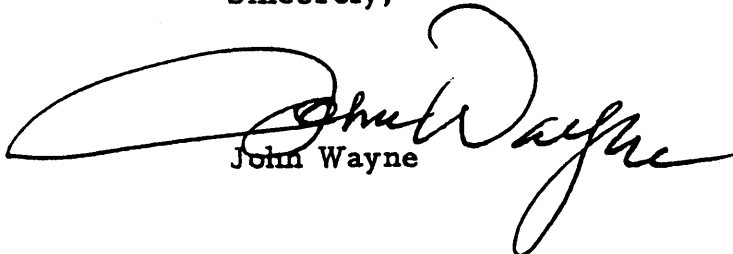
Enclosed is a statement regarding the Panama Canal Treaty.

As usual, our dear provocative press misquoted me. This has increased my mail by letters from people who are concerned about my reaction to the Treaty. The enclosed is the answer that I am sending to them.

I would appreciate it if you would read the enclosed review which I have made. Through friends and a few years of experience, I have had the opportunity to know a little about the situation down there. I might add that I have friends on both sides of the political spectrum. They are all still living the same life in the same manner as they were before the Torrijos change of government eight or so years ago. Their personal liberties do not seem too badly interfered with. None of them are in jail, and they have perhaps a little more respect for the law.

At any rate, the statement enclosed is a point of view that I think is worthy of your attention.

Sincerely,


John Wayne

JW/ps

Enclosure

JOHN WAYNE

STATEMENT REGARDING PANAMA CANAL TREATY

My interest in Panama goes back to the 40's. I have friends on both sides of their political spectrum. As a matter of fact, my first introduction to the Panamanian situation was in the 30's when Harmodio Arias was president. He was probably the best liked figure in all of South America and one of the very few presidents who has ever completed a term up to and since that time. His wife and his son Tito, then about 12 years old, visited me in California. Another son Tony was Godfather to one of my daughters. I am only going into these personal things to show you that I have had reasons to give attention to our relationships down there.

I have followed the Panamanian situation since the time the State Department insured us losing good relationships with Panama by changing their policy and charging extremely high prices for tuition for the children of several Panamanian families to go to Canal Zone schools. These families were continually involved in the leadership and administration in Panama. I think it would have been quite obvious with their children attending our schools that they would have our point of view. I wrote a letter to our Administration at that time to apprise them of this situation. Nothing was done.

You say that it is a blow to you to learn from the press that I favor the surrender of the Panama Canal. I certainly did not. I was appalled when General Eisenhower did just that and gave the sovereignty of the Canal away by allowing the Panamanian flag to fly there; but at that time, neither Congress, nor the press, nor the conservatives uttered any kind of cry. I did, but it was a voice in the wilderness.

In checking to find the reason for President Eisenhower's actions, I found out that although we had the rights to the ownership and jurisdiction of the Canal that Panama had not surrendered sovereignty of same. I also found out that the United States in the Arias-Roosevelt Treaty of 1936, ratified by our Congress in 1939, recognized the sovereignty of Panama in the Canal Zone as it was originally stated in the 1903 agreement.

Under negotiations during the Kennedy Administration, it was further agreed that any place within the civil area that the American flag flew, there must be a Panamanian flag raised.

Statement Regarding Panama Canal Treaty

Page 2

Our people in the Zone tried to avoid this by removing flag poles. This started irrational actions by both sides. During those student riots which took place in 1964, our then president, Lyndon B. Johnson told the world that there would be a gradual return of the Canal to Panamanian possession. There were still no outcries from the people who are now complaining, but the above acts plus common decency to the dignity of Panama demanded a re-evaluation of our Treaty.

Now, let's take the Treaty for what it is. We do not give up one active military installation for the next quarter of a century. We do transfer to Panama in the civil Canal area such governmental activities as police and fire protection, civil administration, post offices, courts, customs, garbage collection, and maintenance of certain areas which are not necessary to manage the Canal. The Canal will continue to be run by an American agency. The Board of Directors of that entity will be comprised of nine members--five members of the Board, American--and four Panamanians who will be selected by the United States from a list proposed by Panama. This Board of Directors will not have any authority on our military bases which we will have there for a quarter of a century to insure this Treaty.

The Treaty insures all American citizens working in the Canal their continuing jobs to retirement and the continued uses of their rented homes at the present rate which averages around \$150 per month including all their utilities, garbage collection, sewerage, upkeep of the grounds and maintenance including gardening lawns and painting of buildings. This is guaranteed to each until retirement or completion of their contracts.

When the Canal Company transfers these responsibilities to Panama, they will also transfer \$10,000,000 a year of the toll charges to take care of them. I doubt if this will cover the costs. So does our government. Therefore, this United States Canal Company Agency which will still be running the Canal for the next 20 years will be instructed to raise the toll charges 30 cents per ton or about 1/100 of a cent and a half per pound to be given to Panama to cover such contingencies as inflation and to insure the above responsibilities plus rental for the 120,000 acres which these United States will continue to hold for its military installations and also the use of a 4,000 square kilometer water shed as a water reservoir to take care of our civil and military needs in the area. This added toll charge could amount to \$40,000,000 in the years to come; but not one cent of it will come out of our pockets.

None of this will cost the American taxpayer one cent. We will not be required to pay \$1 to Panama when this Treaty is put into effect.

Statement Regarding Panama Canal Treaty

Page 3

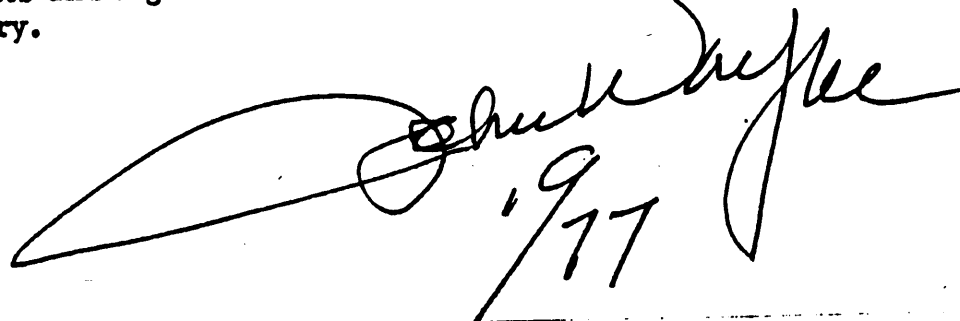
I explained to the press when I was interrogated that I am only one of 200,000,000 private citizens of the United States and that I am not presuming to establish our foreign policy. I suggested that perhaps the facts as I have presented them to you might be put in a more enlightening manner to our citizens.

Regarding Communism, quite obviously, there are some Communists in General Torrijos' administration as there have been and probably still are in ours. Back in the days of McCarthy, it was proven that a great number of people in our government were Communists. For his high-handed manner with the use of the Committee, he was censored; but the truth of his findings were never questioned.

There will always be accusations and counter-accusations in this area. General Torrijos has never followed the Marxist line. Even in his speech when he visited Cuba, he stated that Castro had insured schooling and developed a system of feeding his people but at a high social cost. Because of this he stated that what was aspirin for Cuba was not necessarily the right medicine for Panama which is putting it about as plainly as possible when you are visiting in a foreign country that you are not agreeing with their methods.

Such rumors and accusations mushroom to a degree that it is hard for anyone to defend themselves. General Torrijos' government has not followed the Marxist line. He does have his Escobar Bethancourt as we have our Andrew Young, neither of whom were elected by either populus. A quarter of a century from now--when and if this agreement is carried out to the letter of the law--and we decide that it is proper to remove military installations, Escobar Bethancourt will be an old and forgotten character; and Young will probably be relegated to some posh job in our civil service from which he cannot be fired or taken care of by some liberal foundation as was Hiss.

I hope that the pragmatic view that I have of this situation is understandable. I have carefully studied the Treaty, and I support it based on my belief that America looks always to the future and that our people have demonstrated qualities of justice and reason for 200 years. That attitude has made our country a great Nation. The new Treaty modernizes an outmoded relation with a friendly and hospitable country. It also solves an international question with our other Latin American neighbors, and finally the Treaty protects and legitimates fundamental interests and desires of our Country.



9/77